

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION**

In re:) Chapter 11
)
Squirrels Research Labs LLC, <i>et al.</i> ¹) Case No. 21-61491
) (Jointly Administered)
Debtors.)
) Judge Russ Kendig

NOTICE OF FILING OF MODIFICATION OF ASSET PURCHASE AGREEMENT

PLEASE TAKE NOTICE that on November 23, 2021, the above-captioned debtors and debtors-possession (collectively, the “Debtors”) filed a motion (the “Motion”) pursuant to sections 105, 363 and 365 of Title 11 of the United States Code (the “Bankruptcy Code”) and rules 2002, 6004 and 9006 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) for an Order: (A)(I) establishing and approving bid procedures to be used in connection with the proposed sale of the Debtors’ assets to Instantiation LLC and/or its assigns (the “Stalking Horse Bidder”), subject to higher and better offers, pursuant to 11 U.S.C. §§ 105(A), 363, and 365 and including the terms of the proposed purchase agreement substantially in the form attached thereto as Exhibit B (the “APA”); (II) approving contract/lease assumption and assignment procedures and the form and notice thereof; (III) approving Bid Protections (as defined therein) for the Stalking Horse Bidder; (IV) scheduling the auction; (V) scheduling a hearing and objection deadline with respect to the sale; (VI) approving the form and notice thereof; and (VII) granting related relief; and (B)(I) authorizing sale of certain of the Debtors’ assets free and clear of liens, claims, encumbrances, and interests pursuant to 11 U.S.C. §§ 105

¹ The Debtors in these Chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Squirrels Research Labs LLC (9310), case no. 21-61491 and the Midwest Data Company LLC (1213), case no. 21-61492.

and 363; and (II) approving assumption and assignment of executory contracts and unexpired leases; and (C) granting related relief.

PLEASE TAKE FURTHER NOTICE that on December 1, 2021 the Court entered an Order (I) Approving Bidding Procedures, (II) Approving Stalking Horse Bid Protections, (III) Approving the Contract Assumption and Assignment Procedures and the Form and Manner of Notice Thereof, (IV) Scheduling the Auction, (V) Scheduling Hearings and Objection Deadlines with Respect to the Sale, (VI) Approving the Form and Manner of Notice Thereof, and (VII) Granting Related Relief (the “Procedures Order”).

PLEASE TAKE FURTHER NOTICE that the Bid Deadline set in the Procedures Order passed on December 31, 2021, and the Debtors did not receive any offers for the purchase of their assets other than from the Stalking Horse Bidder prior to the Bid Deadline.

PLEASE TAKE FURTHER NOTICE that on January 10, 2022, Debtors and the Stalking Horse Bidder entered into a Second Amended and Restated Asset Purchase Agreement, a copy of which is attached hereto as **Exhibit A**, in red-line to show the modifications. The Second Amended and Restated Asset Purchase Agreement substantially reduces the assets being sold to Instantiation with no change in the purchase price. The Debtors believe the modifications reflected in the Second Amended and Restated Asset Purchase Agreement are beneficial to the Debtors’ bankruptcy estates and pursuant to the Procedures Order are acceptable modifications that improve the terms of Instantiation’s offer. In addition, due to the favorable nature of the modifications, Debtors believe notice of this modification is appropriately limited to the United States Trustee, Avnet, the Contract Counterparties (as that term is defined in the Motion), and those parties having requested notice in this case.

PLEASE TAKE FURTHER NOTICE that in accordance with the Procedures Order, if you do not want the Court to grant the relief requested in the Motion, and as modified by the Second Amended and Restated Asset Purchase Agreement, then on or before **January 10, 2022**, you or your attorney must file with the Court a written objection explaining your position at:

UNITED STATES BANKRUPTCY COURT
OFFICE OF THE CLERK
Ralph Regula Federal Building and U.S. Courthouse
401 McKinley Ave. SW
Canton, Ohio 44702

You must also serve a copy of your written objection on undersigned counsel:

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*Counsel for Debtors and
Debtors-in-Possession*

PLEASE TAKE FURTHER NOTICE that you or your attorney must also appear telephonically at the hearing scheduled in this matter before the Honorable Russ Kendig, United States Bankruptcy Judge, Bankruptcy Courtroom at the Ralph Regula Federal Building and U.S. Courthouse, 401 McKinley Ave. SW, Canton, Ohio 44702 on **January 11, 2022 at 2:00 p.m., Eastern Time, Dial In (888) 684-8852; Access Code 3303949#** (For further details on telephonic participation, please refer to Judge Kendig's Notice of Telephonic Hearing Procedures dated March 18, 2020, at <https://www.ohnb.uscourts.gov/sites/default/files/memoranda/telephonic-hearing-procedures-31820.pdf>)

If you or your attorney do not take these steps, the Court may grant the relief requested without further notice to you.

Dated: January 10, 2022

Respectfully submitted,

/s/ Julie K. Zurn

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